

## Fibra Inn Announces Results for the First Quarter 2017

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**Monterrey, Mexico, April 26, 2017** —Deutsche Bank Mexico, S.A., Institución de Banca Múltiple, Trust Division F/1616 or Fibra Inn (BMV: FINN13) (“Fibra Inn” or “the Company”), the Mexican real estate investment trust internally managed and specialized in the hotel industry serving the business traveler with global brands, today announced its non-audited first quarter results for the period ended March 31, 2017 (“1Q17”). These results were prepared in accordance with International Financial Reporting Standards (“IFRS”) and are stated in nominal Mexican pesos (Ps.).

### 1Q17 Financial Highlights:

- Fibra Inn concluded the quarter with **42 hotels under operation**: 7,115 rooms, of which 222 are under construction and 180 are being renovated. Fibra Inn has an investment in 2 properties under the Strategic Hotel Acquisition Model that will add 430 rooms.
- **Total Revenue**: reached Ps. 480.4 million, of which 95.4% were from room revenues and 4.6% were from rental revenues, for a total increase of 16.4% compared to 1Q16.
- **NOI<sup>1</sup>**: Ps. 174.4 million, an increase of 10.4% compared to the Ps. 158.0 million reported in 1Q16; NOI margin was 36.3%.
- **Adjusted EBITDA<sup>2</sup>**: reached Ps. 152.0 million, an 11.5% increase compared to the Ps. 136.3 million in 1Q16.
- **Net Income**: Ps. 43.1 million, or 9.0% net margin.
- **FFO<sup>3</sup>**: Ps. 109.9 million, or 22.9% FFO margin.
- **Distributions to Holders<sup>4</sup>**: Ps. 110.0 million, a 13.1% increase compared to Ps. 97.3 million in 1Q16. Distributions per CBF1 were equivalent to Ps. 0.25. This represented an annualized dividend yield of 9.2% in 1Q17, the highest ever reported in the Company’s history.

### Same-Store Sales for the 41 comparable hotels:

- Room revenue: Ps. 445.8 million; up 12.5% vs. Ps. 396.4 million in 1Q16.
- Occupancy: 60.8%, 3.2 percentage points (“pp”) higher than the figure reported in 1Q16. Excluding the addition of rooms, occupancy was 61.4%.
- Average Daily Rate (“ADR”): reached Ps. 1,242.4; an increase of 6.6%, the highest average daily rate ever reported in the history of Fibra Inn.



- Revenue per Available Room (“RevPAR”): Record Ps. 755.0, or a 12.6% increase. Excluding the addition of rooms, RevPAR increased by 13.7%.

**Total Revenues for the 42 hotels in operation:**

- Rental revenues: Ps. 458.2 million; an increase of 17.0% vs. Ps. 391.7 million in 1Q16.
- Occupancy: 59.9%; 2.8 pp higher versus the 57.1% in 1Q16.
- Average Daily Rate: Ps. 1,254.7; an increase of 6.9%.
- Revenue per Available Room (RevPAR): Ps. 752.0, a 12.3% increase vs. Ps. 669.4 in 1Q16.

**Oscar Calvillo, Chief Executive Officer of Fibra Inn, stated:** *“As of this year, Fibra Inn became an internalized Fibra. Undoubtedly, the benefits are great, in terms of the efficiencies that will be reflected year over year in general and administration expenses as well as in terms of corporate governance, which position us among the best Fibras in the market.”*

*On another note, it is important to mention that we have begun the process for the strategic sale and eventual flipping of some of our hotels. As such, during the year, we expect to achieve favorable results, which will translate into an additional benefit for our investors. For 2017, we have chosen to pay an objective base quarterly dividend of Ps. 0.25 per CBFi; there will also be additional estimated dividends based on the achievement of certain strategic objectives. This is the reason that, during this quarter we reached a 9.2% dividend yield, the highest in our history. Additionally liabilities are 66% covered with the contracted interest rate swaps”.*

<sup>1</sup> NOI is the calculation of the Fibra’s revenue (rent and other revenue) minus operating expenses for administration, maintenance, lodging, utilities, fees, royalties, marketing and promotion, as well as property tax and insurance.

<sup>2</sup> Adjusted EBITDA excludes acquisition and organization expenses.

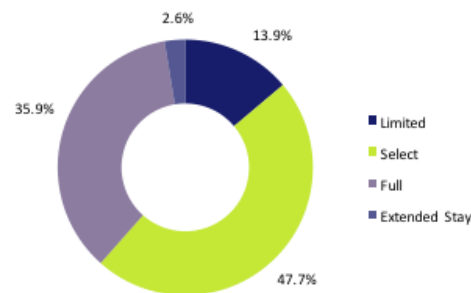
<sup>3</sup> FFO is calculated as the Adjusted EBITDA plus interest gain less interest expense and foreign exchange fluctuations..

<sup>4</sup> Calculated using 440,019,542 CBFIs outstanding on March 31, 2017. Yield is based on a Ps. 11.05 per CBFi.

**First Quarter 2017 Results**

The sales mix at the close of 1Q17 was comprised of 42 hotels under operation: 11 limited service, 18 select service, 12 full service and 1 extended-stay hotels. The AC Hotels by Marriott is undergoing renovations; therefore, it did not contribute to 1Q17 revenues.

Total Revenue per Segment				
	1Q17	%	1Q16	%
(Ps. million)				
Limited Service	66.6	13.9%	58.5	14.2%
Select Service	229.0	47.7%	183.6	44.5%
Full Service	172.3	35.9%	160.0	38.7%
Extended Stay	12.5	2.6%	10.8	2.6%
Total	480.4	100.0%	412.8	100.0%



Financial Highlights	1Q17	1Q16	Var Ps.	% Var
<b>Financial Indicators (Ps. million, except EBITDA per room)</b>				
Lodging Revenues	458.2	391.8	66.4	17.0%
Rental Revenues	22.2	21.1	1.1	5.3%
Fibra Revenues	480.4	412.8	67.6	16.4%
NOI	174.4	158.0	16.4	10.4%
NOI Margin / Fibra Revenues	36.3%	38.3%	-	-2 p.p
Adjusted EBITDA	152.0	136.3	15.7	11.6%
Adjusted EBITDA Margin	31.6%	33.0%	-	-1.4 p.p
EBITDA per Room	22,642.6	20,932.9	1,709.8	8.2%
FFO	109.9	109.7	0.2	0.2%
FFO Margin	22.9%	26.6%	-	-3.6 p.p
<b>Distribution and Dividend Yield</b>				
CBFI Price	11.05	13.45	- 2.4	-17.8%
Distribution	110.0	97.3	12.7	13.1%
Distribution per CBFI	0.2500	0.2211	0.0	13.1%
CBFIs outstanding	440.0	440.0	-	0.0%
Annualized Dividend yield at the end of the quarter	9.2%	6.6%	-	2.6 p.p
<b>Hotels and Rooms</b>				
Hotels in operation	42	40	2	5.0%
Developments	-	-	-	-
Land Lots	1	1	-	-
Hotels in agreement	-	2	- 2	-
Total number of properties and the end of the quarter	43	43	-	0.0%
Weighted number of days per procurement	100%	100%	-	-
Footprint (States)	15	15	-	-
Rooms in operation	6,713	6,509	204	3.1%
Rooms under development	222	221	1	-
Addition of Rooms	180	-	180	-
Rooms under agreement	-	297	- 297	-
Total of Rooms	7,115	7,027	88	1.3%

Fibra Inn's total revenues during 1Q17 were Ps. 480.4 million, an increase of 16.4% compared to 1Q16. Revenues were comprised as follows:

- Ps. 458.2 million, or 95.4%, are room rental revenues from the 42 properties in the operating portfolio, equivalent to 17.0% growth compared to 1Q16. This increase was the result of: (i) 12.5% for rental revenues from same-store sales, which was the successful result of the marketing and sales team's efforts, the progressive stabilization of the hotels that are in this phase, as well as substitution of business travelers with leisure travelers, as a result of the seasonality of the winter vacation season, and (ii) 4.5% due to a higher inventory of rooms.
- Ps. 22.2 million, or 4.6%, in rental revenues from spaces for services other than lodging, such as conference and meeting rooms, coffee breaks, banquet rooms and restaurants, as well as the rental of certain commercial spaces, which represented a 5.4% increase.

During 1Q17, total operating expenses were Ps. 306.1 million, or 63.7% of total revenues, an increase of 200 basis points, compared with 61.7% during 1Q16, this was the net effect of the following:

- A 120 basis point increase in lodging expenses, representing 24.7% of total revenues, as premium sales channels were used to generate greater demand by investing in marketing, such as including guest breakfast, as well as higher travel agency participation, in both traditional and online access by leisure travelers, in order to offset the year-end vacation seasonality, which results in lower business travelers, as well as to increase the number of guests that are members of the global brand loyalty programs
- A 90 basis point increase in administration costs, representing 16.8% of total revenues, due to: (i) higher payroll expenses caused by incentive plans for reaching sales targets and annual salary reviews, (ii) higher commissions for credit card transactions; and (iii) the contracting of more modules in ERP for SAP.
- A 60 basis point increase in energy costs, representing a 5.7% of total revenue, due to an increase in electric energy and gas prices.
- A 10 basis point increase in royalties, representing 6.2% of total revenue, due to the inclusion of three hotels, operating under international brands, into the Fibra's portfolio.
- A 60 basis point decrease with regards to advertising and promotional expenses, representing 5.4% of total operating expenses; as the Company has taken advantage of the economies of scales using digital media.
- A 10 basis point decrease in insurance, derived from the contracting these services using economies of scale.
- A 10 basis point decline in maintenance due to the implementation of stricter cost controls, and better planning in order to detect preventive maintenance.

As a result of the above, Net Operating Income (NOI) for 1Q17 reached Ps. 174.4 million, which represented a 10.4% increase, compared to Ps. 158.0 million for 1Q16. The NOI margin was 36.3%, which represented a decrease of 200 basis points compared to 38.3% reached in 1Q16.

Administrative and acquisition expenses related to the operation of the Fibra were Ps. 24.8 million for 1Q17, representing a 15.9% decline compared to Ps. 29.5 million reported in 1Q16. As a percentage of total revenues, these expenses were equivalent to 5.2% of total revenues, and a decrease of 200 basis points versus those reported in the same quarter of last year. This variation was the result of the following:

- A 320 basis point decrease for advisory fees related to the 0.75% fee over the gross value of the real estate assets adjusted to inflation.
- A decrease of 140 basis points in acquisition and organizational expenses, representing 0.5% of total revenues, due to acquisitions that did not take place but that incurred legal fees.
- The above was partially offset by a 280 basis points increase in corporate expenses, which represented 4.9% of total revenues, due to higher payroll expenses which previously belonged to the Advisor and not the Fibra's subsidiary.
- A 70 basis point increase in other revenues corresponding to VAT reimbursement amounts adjusted for inflation.
- A 40 basis points increase in maintenance CAPEX in certain hotels, representing 0.4% of total revenues.

### **IFRS 3 Business Combinations**

In reference to IFRS 3 Business Combinations, hotel acquisitions are considered business acquisitions, as these reflect the acquisition of a running operation. Therefore, acquisition-related expenses are reported in the profit and loss statement as they are incurred, including notary expenses, legal and appraisal expenses as well as other expenses. This is applicable for hotel acquisitions after 2014.

As a result of the above, acquisition-related expenses and corporate-related expenses reached Ps. 2.4 million; mainly due to legal fees related to the internalization process for the Advisor services.

Adjusted EBITDA of Ps. 152.0 million excludes the previously-mentioned acquisition and corporate-related expenses and represented an increase of 11.5% compared to Ps. 136.3 million in 1Q16. Adjusted EBITDA margin was 31.6%, which represented a decrease of 1.4 pp compared to the 33.0% margin reported in 1Q16.

During the period, the Company reported an accounting depreciation for Ps. 64.3 million, representing an increase of Ps. 15.5 million, or 31.7%, compared to the Ps. 48.8 million reported in 1Q16. The calculation for depreciation of fixed assets –

properties, furniture and equipment was included in the financial statements, based on the straight line method based on the useful lives of the net assets for its residual value.

Operating Income (EBIT) was Ps. 85.2 million, an operating margin of 17.7%, which represented an increase of 12.2%, or Ps. 9.2 million, compared to the Ps. 76.0 million reported in 1Q16.

Fibra Inn obtained higher interest income totaling Ps. 11.3 million, or Ps. 5.8 million higher compared to the Ps. 5.4 million reported in 1Q16. This decrease corresponded to higher cash flow during 1Q17; since at the close of 2015 the Company had access to resources from the debt issuance that took place in October 2016, as well as to the increase in interest rates for investments realized.

Interest expense reached of Ps. 50.6 million in 1Q17, compared to Ps. 31.5 million during 1Q16. This increase was due to the higher amount of debt issued, that went from Ps. 1,875.4 million to Ps. 2,875.4 million in October 2016, which is when the debt re-initiation took place for Ps. 1 billion, as well as to the 373 basis point increase in the TIIE interest rate, which was partially offset by the contraction of interest rate swaps.

There was an exchange rate loss of Ps. 2.8 million, mainly due to the payment of dollar-denominated invoices for investment projects and hotel renovations, as well as royalties at a lower exchange rate than the one at the time of invoicing.

The net financial result was an expense of Ps. 42.1 million in 1Q17, compared to Ps. 26.6 million in 1Q16.

Net Income for 1Q17 was Ps. 43.1 million, a 9.0% margin, representing a Ps. 6.3 million decline, or 12.7% compared to the Ps. 49.4 million in 1Q16.

1Q17 FFO was Ps. 109.9 million, equivalent to a 22.9% margin and representing a 0.2% increase, compared to the Ps. 109.7 million reported in 1Q16, during which a 26.6% FFO margin was reported.

#### **Distribution to Holders**

On April 26, 2017, Fibra Inn's Technical Committee approved a cash distribution for the CBFIs holders of Ps. 110.0 million related to 1Q17. This distribution was equivalent to Ps. 0.25 per CBFI, based on 440,019,542 CBFIs outstanding, as return of capital based in the operations and results of Fibra Inn for the period between January 1 and March 31, 2017. This distribution will be paid no later than May 31, 2017.

Distribution to CBFH Holders				
	1Q17		1Q16	
	per CBFH*	Total	per CBFH*	Total
	Ps. \$	Ps. million	Ps. \$	Ps. million
Taxable Income	-	-	-	-
Return of capital	0.2500	110.0	0.2211	97.3
<b>Total</b>	<b>0.2500</b>	<b>110.0</b>	<b>0.2211</b>	<b>97.3</b>

\* The amount distributed per CBFH was calculated based on 440,019,542 CBFHs outstanding

### Calculation of the Distribution to CBFH Holders

In accordance with the tax laws applicable to Fibra Inn, the fiduciary is obligated to distribute at least 95% of its taxable income generated in the prior period to CBFH holders by the Trust's assets at least once per year and by March 15 of the consequent period.

This past April 26, 2017, Fibra Inn's Technical Committee approved the distribution policy, to be applied beginning in 2017, consisting of:

- I. An objective distribution base of Ps. 0.25 per CBFH for each quarter of 2017; plus
- II. An additional distribution based on the fulfillment of the strategic goals related with the Strategic Hotel Acquisition Pipeline (revenues corresponding to development fees), or derived from a hotel sale that represents a gain with respect to the original investment.

The objective of this policy is to generate stability in distribution payments, in accordance with the nature of the real estate business, similar to the rents obtained in a portfolio of real estate properties.

In line with the tax code applicable to Fibra Inn, when the fiduciary grants holders of CBFHs that are worth more than the tax amount of the period generated by the trustors' equity, the difference is considered a capital return and will lower the proven value of the purchase of the certificates held by the holders that receive this difference. The capital reimbursement does not generate a tax withholding for Fibra Inn's investors.

### Taxable Income Calculation

Taxable Income is calculated from a tax base and may differ from the accounting base calculation. Therefore, it is important to consider the following:

- a. Fiscal depreciation applies to approximately 82% of the total value of the hotels at a 5% annual rate, updated to reflect inflation in the portion corresponding to constructions (74%), while the remaining fixed assets (8%) depreciate fiscally in accordance with the rates applicable. The remaining 18% is the value of the land, which does not depreciate.
- b. IPO expenses are tax deductible in straight line depreciation for 7 years updated to reflect inflation.

- c. Monetary assets – mainly cash and cash equivalents – generate a tax deduction due to inflation effects over the average balance of those assets.

Therefore, use the following formula to calculate the Taxable Income:

Accountable Income

- (+) Accountable depreciation, not deductible
- (-) Taxable depreciation
- (-) IPO expenses amortized to 7 years
- (-) Annual adjustment from deductible inflation
- = Taxable Income

### **Use of the CAPEX Reserve**

The capital expenditure reserve for hotel maintenance is provisioned as per the investment requirements in each line item for each period, plus a reasonable reserve for future requirements. As of March 31, 2017, this reserve reached Ps. 15.6 million compared to Ps. 21.9 million at December 31, 2016. The total amount for capital expense amount Ps. 20.7 million during the 1Q17 and Ps. 2.1 million were included as expenses in the profit and loss statement.

### **Balance Sheet**

As of March 31, 2017 Fibra Inn held Ps. 791.8 million in cash and cash equivalents. As of March 2017 the outstanding recoverable VAT amount was Ps. 221.5 million, which is under the process of being recovered with the Tax Administration Authority.

Accounts receivable registered Ps. 166.1 million from regular business operations. Other accounts receivable were Ps. 3.2 million and anticipated payments were Ps. 34.8 million, which mainly pertain to operating expenses of the amortized hotels during the period, as well as property taxes, insurance, fiduciary fees, independent board members and administrative payments. Accounts payable registered Ps. 107.9 million, this decrease corresponds to the termination of projects with suppliers as well as the cancellation of provision payments for expenses not incurred and requests that have not been invoiced by providers at the end of the year.

Short-term bank loans for Ps. 1.7 million were registered, corresponding to accrued interest at that date from the debt issuance, and the long-term bank loans were Ps. 2,847.3 million, corresponding to the public debt, net of amortized expenses.

On December 22, 2016, the Company signed the bank loan cancellation, pledge agreement, mandate of deposit and the reversal of the Trust Guarantee. As a result, the releasing of the guarantee granted for the 16 hotels in the Fibra's portfolio is under process.



At March 31, 2017 the outstanding balance of the FINN15 issuance was Ps. 2,875.4 million, equivalent to Ps. 2,847.3 million if we consider the amortized expenses during the issuance. On February 23, 2017 Fibra Inn contracted Ps. 900 million in interest rate swaps with Citibanamex and on March 21, 2017, the Company contracted interest rate swaps of Ps. 200 million with BBVA Bancomer and Ps. 165 million with Scotiabank. With these funds, the Company has hedged 66% of its public debt at a weighted average cost of 7.82%

As of March 31, 2017, the Company had available debt resources (considering the current balance of cash and cash equivalents) for Ps. 1,125 million without surpassing the 33% loan-to-value threshold set forth by the Company’s Technical Committee.

The FINN15 debt issuance financial covenants at March 31, 2017 are as follows:

Financial Covenants / Public Debt		
As of December 31, 2016		
Loan to Value	Equal or lower than 50%	29.5%
Debt Service Coverage	Equal or higher than 1.0	2.9
Debt Service	Equal or higher than 1.5	5.5
Total Assets no taxable	Equal or higher than 150%	326.0%
Debt to Total Assets	Equal or lower than 40%	0.0%

Fibra Inn has a total loan-to-value of 29.5% as of March 31, 2017. This leverage level is in full compliance with the dispositions of the Mexican Banking and Securities Commission (“CNBV”) to regulate the maximum leverage levels for the Fibras up to 50%. As of March 31, 2017, the debt service coverage was 2.9x; the ratio established to be greater than 1.0x. Both of these figures are calculated in accordance with the methodology in Appendix AA of the *Circular Única de Emisoras* applicable to CBFIs.

Following is a breakdown of the items used in the calculation of the financial ratios:

Debt Ratios (millions of pesos)		As of March 31, 2017
<b>Loan-to-value (equal or lower than 50%)</b>		
Financing		-
Market Debt		2,875.4
Total Assets		9,745.3
<b>Loan-to-value</b>		<b>29.5%</b>
<b>Debt Service Coverage Ratio (equal or higher than 1.0)</b>		
Liquid Assets		791.8
VAT refunds		221.5
Operating Profit		647.1
Credit lines		177.0
<i>Sub-Total Numerator</i>		<i>1,837.5</i>
Amortization of Interests		340.7
Principal Repayments		-
Capital Expenditure		98.3
Development Expenditure		190.5
<i>Sub-Total Denominator</i>		<i>629.6</i>
<b>Debt Service Coverage Ratio</b>		<b>2.9 times</b>

### Fibra Inn's Shareholder Breakdown

Shareholder Breakdown		
As of March 31, 2017		
	CBFI*	%
Controlling Trust	75,079,169	17.1%
Public Float	364,940,373	82.9%
Total Outstanding	440,019,542	100.0%

### 1Q17 Highlights

#### a. Fibra Inn announced the approval of a CBFI repurchase program

On January 23, 2017 Fibra Inn announced the approval of a CBFI repurchase program for up to 5% of issued securities. This is in accordance with the resolutions approved at the Ordinary Shareholders' Meeting that took place on January 20, 2017.

#### b. Placement of Interest Rate Swaps

On February 23, 2017, Fibra Inn placed an interest rate swap in the amount of Ps. 900 million with Citibanamex. On March 21, 2017, the Company placed another two interest rate swaps for Ps. 200 million with BBVA Bancomer and Ps. 165 million with Scotiabank. With these funds, the Company had a 66% debt coverage at a weighted average cost of 7.82%.

#### b. Financial Guidance

The Company announced annual financial guidance for 2017.

**Hotel Portfolio at 1Q17**

	Brand	City	State	Rooms	Additions	Operator
<b>Limited Service Hotels</b>						
1	Wyndham Garden	Irapuato	Guanajuato	102		Fibra Inn
2	Wyndham Garden	Celaya	Guanajuato	150		Fibra Inn
3	Wyndham Garden	León	Guanajuato	126		Fibra Inn
4	Wyndham Garden	Silao	Guanajuato	143		Fibra Inn
5	Microtel Inn & Suites by Wyndham	Chihuahua	Chihuahua	108		Fibra Inn
6	Microtel Inn & Suites by Wyndham	Culiacán	Sinaloa	158		Fibra Inn
7	Microtel Inn & Suites by Wyndham	Toluca	Estado de México	129		Fibra Inn
8	Microtel Inn & Suites by Wyndham	Cd. Juárez	Chihuahua	113		Fibra Inn
9	Mexico Plaza	Guadalajara Andares	Jalisco	186		Fibra Inn
10	City Express Junior	Chihuahua	Chihuahua	105		Fibra Inn
11	City Express	Chihuahua	Chihuahua	104		Fibra Inn
				<b>1,424</b>		
<b>Select Service Hotels</b>						
1	Hampton Inn	Monterrey	Nuevo León	223		Fibra Inn
2	Hampton Inn	Saltillo	Coahuila	227		Fibra Inn
3	Hampton Inn	Reynosa	Tamaulipas	145		Fibra Inn
4	Hampton Inn	Querétaro	Querétaro	178		Fibra Inn
5	Holiday Inn Express	Saltillo	Coahuila	180		Fibra Inn
6	Holiday Inn Express & Suites	Juárez	Chihuahua	182		Fibra Inn
7	Holiday Inn Express	Toluca	Estado de México	268		Fibra Inn
8	Holiday Inn Express	Monterrey	Nuevo León	198		Fibra Inn
9	Holiday Inn Express	Guadalajara	Jalisco	199		Fibra Inn
10	Holiday Inn Express	Playa del Carmen	Quintana Roo	196		Fibra Inn
11	Holiday Inn Express	Toluca	Estado de México	127		Fibra Inn
12	Aloft	Guadalajara	Jalisco	142		Fibra Inn
13	Hampton Inn by Hilton	Hermosillo	Sonora	151	56	Fibra Inn
14	Arriva Express	Guadalajara	Jalisco	-	180**	Fibra Inn
15	Courtyard by Marriott	Saltillo	Coahuila	180		Fibra Inn
16	Hampton Inn by Hilton	Chihuahua	Chihuahua	190		Fibra Inn
18	Fairfield Inn & Suites by Marriott	Coatzacoalcos	Veracruz	180		Fibra Inn
19	Courtyard by Marriott (*)	Chihuahua	Chihuahua	152		Fibra Inn
12	Best Western	Monterrey	Nuevo León	85		Fibra Inn
				<b>3,203</b>	<b>56</b>	
<b>Full Service Hotels</b>						
1	Holiday Inn & Suites	Guadalajara	Jalisco	90		Fibra Inn
2	Holiday Inn	Monterrey	Nuevo León	198		Fibra Inn
3	Holiday Inn	Puebla	Puebla	150		Hoteles y Centros Especializados
4	Camino Real	Guanajuato	Guanajuato	155		Camino Real
5	Marriott	Puebla	Puebla	296		Fibra Inn
6	Holiday Inn	México	Distrito Federal	214		Fibra Inn
7	Holiday Inn	Altamira	Tamaulipas	203		Fibra Inn
8	Casa Grande	Chihuahua	Chihuahua	115		Fibra Inn
9	Casa Grande	Delicias	Chihuahua	89		Fibra Inn
10	Crowne Plaza	Monterrey	Nuevo León	219		Fibra Inn
11	Holiday Inn	Reynosa	Tamaulipas	95	100	Fibra Inn
11	Casa Grande	Cd. Juárez	Chihuahua	145	66	Fibra Inn
				<b>1,969</b>	<b>166</b>	
<b>Extended Stay Hotels</b>						
1	Staybridge Suites	Guadalajara	Jalisco	117		Fibra Inn
				<b>117</b>		
<b>Land Bank</b>						
3	Fairfield Inn & Suites by Marriott*	Cd. del Carmen	Campeche			
				<b>6,713</b>	<b>402</b>	
				<b>7,115</b>		

**Total Fibra Inn's Portfolio as of March 31, 2017**

(\*) Properties under negotiation signed under a binding agreement

(\*\*) Rooms being remodeled for the rebranding to AC by Marriott

### Information Regarding the Tenant

In order to facilitate the quarter-over-quarter comparison, additional operational tenant information, as well as statistical indicators, is presented.

Tenant revenues for the rental of non-lodging spaces reached Ps. 22.2 million in 1Q17, which was 5.4% higher than the amount for 1Q16. Non-lodging revenue reached Ps. 22.2 million, or Ps. 1.4 million higher than the rent paid by Operadora Mexico, due to the fact that Fibra Inn has leased certain commercial spaces to third parties.

Operadora México Servicios y Restaurantes, SAPI de CV Income Statement - Combines with Trust F/1765 (millions of pesos)				
	1Q17		1Q16	
Revenue	80.0	100.0%	69.4	100.0%
Sales Cost	46.5	58.2%	41.5	59.7%
Operating Profit	33.5	41.8%	27.9	40.3%
Operating Expenses	3.9	4.9%	3.1	4.5%
NOI	29.6	36.9%	24.8	35.8%
Lease paid to Trust F/1616	20.8	26.0%	19.9	28.6%
Other Indirect Expenses	2.9	3.7%	2.5	3.7%
EBITDA	5.8	7.3%	2.4	3.5%
Plus: Other Non-Operating Expenses	-	0.0%	-	0.0%
Adjusted EBITDA	5.8	7.3%	2.4	3.5%

### Hotel Operating Indicators

#### a) Quarterly Total Sales

Quarterly Total Sales			
	1Q17	1Q16	Variation
Number of hotels	42	40	
Lodging Income	458.2	391.7	17.0%
Occupancy	59.9%	57.1%	2.8 pp
ADR	1,254.7	1,173.2	6.9%
RevPar	752.0	669.4	12.3%

*Note: 1Q17 does not include Arriva Express, which is temporarily closed due to its conversion to the AC Hotels by Marriott brand.*

**b) Quarterly Same-Store Sales**

Quarterly Same Stores Sales			
(41 Hotels)	1Q17	1Q16	Variation
Room Revenue	445.8	396.4	12.5%
<i>Occupancy excluding the addition of rooms</i>	<i>61.4%</i>	<i>57.6%</i>	<i>3.8 pp</i>
Occupancy	60.8%	57.6%	3.2 pp
ADR	1,242.4	1,165.0	6.6%
<i>RevPAR excluding the addition of rooms</i>	<i>762.9</i>	<i>670.7</i>	<i>13.7%</i>
RevPAR	755.0	670.7	12.6%

The parameter of same-store sales includes the following:

- Hotels that are the property of Trust F/1616 and its operations, excluding hotels that are under negotiation as a result of a binding agreement as the phase prior to acquisition; those will be included at the moment of titling.
- As a result, the Same-Store Sales Indicator for 1Q17 includes 41 hotels of the current portfolio as if they had been part of the Fibra for the full periods, both for 1Q17 and 1Q16.
- The Company maintains the policy of excluding hotels that have been in Fibra Inn's portfolio for less than half of the quarter under discussion.

In this report, 2 hotels are excluded from the total. These are: two recently-built hotels with no prior operating history: the Fairfield Inn & Suites by Marriott Coatzacoalcos and the Courtyard by Marriott Chihuahua.

**c) Information by Segment, by Chain and by Region**

By Segment							
Segment	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	% Var. RevPAR
	1Q17			1Q16			
Limited Service	57.1%	901.9	514.6	51.8%	853.1	441.9	16.4%
Select Service	60.6%	1,278.7	775.2	56.0%	1,207.4	676.1	14.7%
Full Service	62.4%	1,397.9	872.8	63.4%	1,283.0	814.0	7.2%
Extended Stay	81.6%	1,437.4	1,172.6	74.4%	1,345.9	1,000.8	17.2%
<b>TOTAL</b>	<b>60.8%</b>	<b>1,242.4</b>	<b>755.0</b>	<b>57.6%</b>	<b>1,165.0</b>	<b>670.7</b>	<b>12.6%</b>

By Region							
Region	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	% Var. RevPAR
	1Q17			1Q16			
North	63.6%	1,075.8	684.2	64.4%	1,006.2	647.7	5.6%
Northeast	62.6%	1,419.7	888.4	59.1%	1,284.5	759.4	17.0%
Northwest	63.8%	708.6	452.1	37.9%	742.6	281.3	60.7%
South and center	55.8%	1,187.6	662.2	54.1%	1,144.5	619.6	6.9%
West	66.7%	1,342.4	896.0	57.2%	1,290.7	737.8	21.4%
<b>TOTAL</b>	<b>60.8%</b>	<b>1,242.4</b>	<b>755.0</b>	<b>57.6%</b>	<b>1,165.0</b>	<b>670.7</b>	<b>12.6%</b>

North: Chihuahua, Sonora

North-East: Nuevo León, Coahuila y Tamaulipas.

West: Jalisco

North-East: Sinaloa

Mid - Southern: Querétaro, Estado de México, Puebla, Guanajuato, Quintana Roo, Cd México, Veracruz, Campeche.

By Hotel Chain							
Brand	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	% Var. RevPAR
1Q17				1Q16			
IHG Intercontinental Hotels Group	68.2%	1,342.9	915.9	65.9%	1,262.7	832.2	10.1%
Wyndham Hotel Group	56.3%	911.7	513.1	49.1%	878.2	431.4	19.0%
Hilton Worldwide	56.7%	1,210.6	685.9	55.5%	1,139.1	631.9	8.5%
Marriott International	51.6%	1,691.3	872.1	41.6%	1,597.1	664.3	31.3%
Starwood Hotels and Resorts Worldwide	68.2%	1,454.9	991.6	53.8%	1,427.2	767.8	29.1%
Local Brands	56.1%	992.4	556.7	60.6%	929.6	563.6	-1.2%
Best Western	46.1%	1,067.7	492.0	58.0%	869.6	504.8	-2.5%
<b>TOTAL</b>	<b>60.8%</b>	<b>1,242.4</b>	<b>755.0</b>	<b>57.6%</b>	<b>1,165.0</b>	<b>670.7</b>	<b>12.6%</b>

Hotel Operation				
City	Hotels	Rooms	% Total of Rooms	% Total of NOI
North	11	1,454	22%	20%
Northeast	11	1,953	29%	39%
Northwest	1	158	2%	1%
South and Center	14	2,414	36%	28%
West	5	734	11%	12%
<b>TOTAL</b>	<b>42</b>	<b>6,713</b>	<b>100%</b>	<b>100%</b>

Segment	Hotels	Rooms	% Total of Rooms	% Total of NOI
Limited Service	11	1,424	21%	11%
Select Service	18	3,203	48%	48%
Full Service	12	1,969	29%	38%
Extended Service	1	117	2%	3%
<b>TOTAL</b>	<b>42</b>	<b>6,713</b>	<b>100%</b>	<b>100%</b>

Operator	Hotels	Rooms	% Total of Rooms	% Total of NOI
Fibra Inn	40	6,408	95%	96%
Camino Real	1	155	2%	1%
Grupo Presidente	1	150	2%	3%
<b>TOTAL</b>	<b>42</b>	<b>6,713</b>	<b>100%</b>	<b>100%</b>

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## About the Company

Fibra Inn is a Mexican trust formed primarily to acquire, develop and rent a broad range of hotel properties in Mexico aimed at the business traveler. The Company has signed franchise, license and brand usage agreements with international hotel brands for the operation of global brands as well as the operation of national brands. Additionally, the Company has development agreements. These hotels enjoy some of the industry's top loyalty programs. Fibra Inn trades its Real Estate Certificates (Certificados Bursátiles Fiduciarios Inmobiliarios or "CBFIs") on the Mexican Stock Exchange under the ticker symbol "FINN13"; its ADRs trade on the OTC market in the U.S. under the ticker symbol "DFBRY".

[www.fibrainn.mx](http://www.fibrainn.mx)

### Note on Forward-Looking Statements

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, Company performance and financial results. Also, certain reclassifications have been made to make figures comparable for the periods. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

Fideicomiso Irrevocable No. F/1616 (Deutsche Bank Mexico, S. A.  
Multiple Banking Institution, Trust Division) and Subsidiary  
Unaudited Condensed Consolidated Statements of Financial Position  
As of March 31, 2017 and December 31, 2016  
(Thousands of pesos)

	<i>As of March 31, 2017</i>	<i>%</i>	<i>As of December 31, 2016</i>	<i>%</i>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	791,845	8.1	849,077	8.7
Receivables	166,132	1.7	145,435	1.5
Other account receivables	3,184	0.0	1,698	0.0
Advanced payments	34,814	0.4	16,755	0.2
Accounts receivable from related parties	13,868	0.1	12,699	0.1
Recoverable value-added tax	221,502	2.3	310,387	3.2
Recoverable taxes and others	9,319	0.1	13,420	0.1
Total current assets	1,240,664	12.7	1,349,471	13.8
Non-currents assets:				
Property, furniture and equipment - net	8,280,127	85.0	8,210,548	83.9
Intangible asset and other assets	61,656	0.6	60,149	0.6
Accounts receivable from related parties	36,845	0.4	36,845	0.4
Prepaid property acquisitions	107,603	1.1	104,274	1.1
Derivative financial instruments	18,419	0.2	29,145	0.3
Total non-current assets	8,504,650	87.3	8,440,961	86.2
<b>Total assets</b>	<b>9,745,314</b>	<b>100</b>	<b>9,790,432</b>	<b>100</b>
<b>LIABILITIES</b>				
Current liabilities:				
Suppliers	107,864	3.6	90,083	3.0
Other payables	8,752	0.3	1,061	0.0
Properties' acquisition liability	7,296	0.2	7,296	0.2
Accounts payable to related parties	31,502	1.0	29,586	1.0
Bank charges due to bank loans	1,721	0.1	4,999	0.2
Client prepayments	6,402	0.2	7,394	0.2
Tax payable	9,656	0.3	10,125	0.3
Total current liabilities	173,193	5.7	150,544	5.0
Non-current liabilities:				
Debt securities	2,847,302	94.3	2,836,654	94.9
Deferred income tax	66	0.0	66	0.0
Employee benefits	297	0.0	295	0.0
Total non-current liabilities	2,847,665	94.3	2,837,015	95.0
<b>Total liabilities</b>	<b>3,020,858</b>	<b>100</b>	<b>2,987,559</b>	<b>100</b>
<b>EQUITY</b>				
Trustors' equity:				
Contributed capital	6,216,245	92.4	6,327,290	93.0
Reserve for valuation effect of derivative financial instr	18,730	0.3	29,241	0.4
Executive share-based compensation reserve	0	-	0	-
Retained earnings	446,342	6.6	322,007	4.7
Net income	43,139	0.6	124,335	1.8
Total trustors' equity	6,724,456	100.0	6,802,873	100.0
<b>Total liabilities and equity</b>	<b>9,745,314</b>		<b>9,790,432</b>	



Fideicomiso Irrevocable No. F/1616 (Deutsche Bank Mexico, S. A.  
Multiple Banking Institution, Trust Division) and Subsidiary

**Unaudited Condensed Consolidated Income Statements**

For the three months ended March 31, 2017 and 2016, and for the accumulated of the year ended March 31, 2017 and 2016

(Thousands of pesos)

Revenue from:	1Q17	%	1Q16	%	Var. Ps.	Var. %	Ac 2017	%	Ac 2016	%	Var. Ps.	Var. %
Lodging	458,239	95.4	391,774	94.9	66,465	17.0	458,239	95.4	391,774	94.9	66,465	17.0
Property leases	22,209	4.6	21,075	5.1	1,134	5.4	22,209	4.6	21,075	5.1	1,134	5.4
<b>Total revenue</b>	<b>480,448</b>	<b>100.0</b>	<b>412,849</b>	<b>100.0</b>	<b>67,599</b>	<b>16.4</b>	<b>480,448</b>	<b>100.0</b>	<b>412,849</b>	<b>100.0</b>	<b>67,599</b>	<b>16.4</b>
Costs and expenses from hotel services:												
Lodging	118,756	24.7	96,961	23.5	21,796	22.5	118,756	24.7	96,961	23.5	21,795	22.5
Administrative	80,653	16.8	65,461	15.9	15,192	23.2	80,653	16.8	65,461	15.9	15,192	23.2
Maintenance	18,990	4.0	16,876	4.1	2,114	12.5	18,990	4.0	16,876	4.1	2,114	12.5
Electricity	27,342	5.7	21,040	5.1	6,302	30.0	27,342	5.7	21,040	5.1	6,302	30.0
Royalties	29,717	6.2	25,146	6.1	4,571	18.2	29,717	6.2	25,146	6.1	4,571	18.2
Advertising and promotion	25,778	5.4	24,840	6.0	938	3.8	25,778	5.4	24,840	6.0	938	3.8
Total costs and expenses of hotel services	301,236	62.7	250,324	60.6	50,912	20.3	301,236	62.7	250,324	60.6	50,912	20.3
<b>Gross margin</b>	<b>179,212</b>	<b>37.3</b>	<b>162,525</b>	<b>39.4</b>	<b>16,687</b>	<b>10.3</b>	<b>179,212</b>	<b>37.3</b>	<b>162,525</b>	<b>39.4</b>	<b>16,687</b>	<b>10.3</b>
Other costs and expenses:												
Property tax	3,348	0.7	2,856	0.7	492	17.2	3,348	0.7	2,856	0.7	492	17.2
Insurance	1,503	0.3	1,713	0.4	-210	-12.3	1,503	0.3	1,713	0.4	-210	-12.3
Advisor fees	0	0.0	13,308	3.2	-13,308	-100.0	0	0.0	13,308	3.2	-13,308	-100.0
Corporate administrative expenses	23,409	4.9	8,533	2.1	14,876	174.3	23,409	4.9	8,533	2.1	14,876	174.3
Acquisition and organization expenses <sup>1</sup>	2,446	0.5	7,819	1.9	-5,373	-68.7	2,446	0.5	7,819	1.9	-5,373	-68.7
Others	-3,138	-0.7	-137	0.0	-3,001	2,189.4	-3,138	-0.7	-137	0.0	-3,001	2,189.4
Executive share-based compensation <sup>2</sup>	0	0.0	3,630	0.9	-3,630	-100.0	0	0.0	3,630	0.9	-3,630	-100.0
Maintenance expenses	2,111	0.4	0	0.0	2,111		2,111	0.4	0	0.0	2,111	
Depreciation and amortization <sup>2</sup>	64,299	13.4	48,807	11.8	15,492	31.7	64,299	13.4	48,807	11.8	15,492	31.7
Total other costs and expenses	93,978	19.6	86,529	21.0	7,449	8.6	93,978	19.6	86,529	21.0	7,449	8.6
<b>Operating income</b>	<b>85,234</b>	<b>17.7</b>	<b>75,996</b>	<b>18.4</b>	<b>9,238</b>	<b>12.2</b>	<b>85,234</b>	<b>17.7</b>	<b>75,996</b>	<b>18.4</b>	<b>9,238</b>	<b>12.2</b>
Interest income	11,251	2.3	5,454	1.3	5,797	106.3	11,251	2.3	5,454	1.3	5,797	106.3
Interest expense	50,580	10.5	31,524	7.6	19,056	60.4	50,580	10.5	31,524	7.6	19,056	60.4
Exchange rate loss (gain)	2,766	0.6	517	0.1	2,249	434.6	2,766	0.6	517	0.1	2,249	434.6
Income taxes	0	0.0	0	0.0	0		0	0.0	0	0.0	0	
<b>Net income</b>	<b>43,139</b>	<b>9.0</b>	<b>49,409</b>	<b>12.0</b>	<b>-6,269</b>	<b>-12.7</b>	<b>43,139</b>	<b>9.0</b>	<b>49,409</b>	<b>12.0</b>	<b>-6,269</b>	<b>-12.7</b>

1) Corresponds to non-operating expenses, mainly due to acquisitions of hotels, such as taxes, appraisals, notaries, consultants, and others.

2) Accounting charges that do not represent cash flows.

Fideicomiso Irrevocable No. F/1616 (Deutsche Bank Mexico, S. A.  
Multiple Banking Institution, Trust Division) and Subsidiary  
Unaudited Condensed Consolidated Income Statements  
For the three months ended March 31, 2017 and 2016, and for the accumulated of the year ended March 31, 2017 and 2016  
(Thousands of pesos)

Revenue from:	1Q17	%	1Q16	%	Var. Ps.	Var. %	Ac 2017	%	Ac 2016
Lodging	458,239	95.4	391,774	94.9	66,465	17.0	458,239	95.4	391,774
Property leases	22,209	4.6	21,075	5.1	1,134	5.4	22,209	4.6	21,075
<b>Total revenue</b>	<b>480,448</b>	<b>100.0</b>	<b>412,849</b>	<b>100.0</b>	<b>67,599</b>	<b>16.4</b>	<b>480,448</b>	<b>100.0</b>	<b>412,849</b>
Costs and expenses from hotel services:									
Lodging	118,756	24.7	96,961	23.5	21,796	22.5	118,756	24.7	96,961
Administrative	80,653	16.8	65,461	15.9	15,192	23.2	80,653	16.8	65,461
Maintenance	18,990	4.0	16,876	4.1	2,114	12.5	18,990	4.0	16,876
Electricity	27,342	5.7	21,040	5.1	6,302	30.0	27,342	5.7	21,040
Royalties	29,717	6.2	25,146	6.1	4,571	18.2	29,717	6.2	25,146
Advertising and promotion	25,778	5.4	24,840	6.0	938	3.8	25,778	5.4	24,840
Property tax	3,348	0.7	2,856	0.7	492	17.2	3,348	0.7	2,856
Insurance	1,503	0.3	1,713	0.4	-210	-12.3	1,503	0.3	1,713
Total costs and expenses of hotel services	306,087	63.7	254,893	61.7	51,194	20.1	306,087	63.7	254,893
<b>NOI</b>	<b>174,361</b>	<b>36.3</b>	<b>157,956</b>	<b>38.3</b>	<b>16,405</b>	<b>10.4</b>	<b>174,361</b>	<b>36.3</b>	<b>157,956</b>
Other costs and expenses:									
Advisor fees	0	-	13,308	3.2	-13,308	-100.0	0	-	13,308
Corporate administrative expenses	23,409	4.9	8,533	2.1	14,876	174.3	23,409	4.9	8,533
Acquisition and organization expenses <sup>1</sup>	2,446	0.5	7,819	1.9	-5,373	-68.7	2,446	0.5	7,819
Maintenance expenses	2,111	0.4	0	-	2,111	-	2,111	0.4	0
Others	-3,138	-0.7	-137	-0.0	-3,001	2,189.4	-3,138	-0.7	-137
Total indirect expenses	24,828	5.2	29,523	7.2	-4,695	-15.9	24,828	5.2	29,522
<b>EBITDA</b>	<b>149,533</b>	<b>31.1</b>	<b>128,433</b>	<b>31.1</b>	<b>21,100</b>	<b>16.4</b>	<b>149,533</b>	<b>31.1</b>	<b>128,434</b>
Plus: Acquisition and organization expenses <sup>1</sup>	2,446	0.5	7,819	1.9	-5,373	-68.7	2,446	0.5	7,819
<b>Adjusted EBITDA</b>	<b>151,979</b>	<b>31.6</b>	<b>136,252</b>	<b>33.0</b>	<b>15,727</b>	<b>11.5</b>	<b>151,979</b>	<b>31.6</b>	<b>136,253</b>
Executive share-based compensation <sup>2</sup>									
Depreciation and amortization <sup>2</sup>	64,299	13.4	48,807	11.8	15,492	31.7	64,299	13.4	48,807
<b>EBIT (Operating Income)</b>	<b>85,234</b>	<b>17.7</b>	<b>75,996</b>	<b>18.4</b>	<b>9,238</b>	<b>12.2</b>	<b>85,234</b>	<b>17.7</b>	<b>75,996</b>
Interest income	11,251	2.3	5,454	1.3	5,797	106.3	11,251	2.3	5,454
Interest expense	50,580	10.5	31,524	7.6	19,056	60.4	50,580	10.5	31,524
Exchange rate loss (gain)	2,766	0.6	517	0.1	2,249	434.6	2,766	0.6	517
Income taxes	0	-	0	-	0	-	0	-	0
<b>Net income</b>	<b>43,139</b>	<b>9.0</b>	<b>49,409</b>	<b>12.0</b>	<b>-6,270</b>	<b>-12.7</b>	<b>43,139</b>	<b>9.0</b>	<b>49,409</b>
<b>FFO <sup>2</sup></b>	<b>109,884</b>	<b>22.9</b>	<b>109,665</b>	<b>26.6</b>	<b>219</b>	<b>0.2</b>	<b>109,884</b>	<b>22.9</b>	<b>109,665</b>

1) Corresponds to non-operating expenses, mainly due to acquisitions of hotels, such as taxes, appraisals, notaries, consultants, and others.

2) Accounting charges that do not represent cash flows.

Fideicomiso Irrevocable No. F/1616 (Deutsche Bank Mexico, S. A.  
Multiple Banking Institution, Trust Division) and Subsidiary  
Unaudited Condensed Consolidated Statements of Changes in Shareholders' Equity  
From January 1 to March 31, 2017 and 2016  
(Thousands of pesos)

	<i>Contributed capital</i>	<i>Executive share- based compensation reserve</i>	<i>Reserve for valuation effect of derivative financial instruments</i>	<i>Retained earnings</i>	<i>Total trustors' equity</i>
<b>As of December 31, 2015</b>	<b>6,671,290</b>	<b>51,870</b>	<b>-5,161</b>	<b>322,007</b>	<b>7,040,006</b>
Distribution to holders of certificates	-92,442				-92,442
Equity-settled share-based payment		3,630			3,630
Share-based payment issued capital	55,500	-55,500			0
Net income			-1,110	49,409	48,299
<b>As of March 31, 2016</b>	<b>6,634,348</b>	<b>0</b>	<b>-6,271</b>	<b>371,416</b>	<b>6,999,493</b>
<b>As of December 31, 2016</b>	<b>6,327,290</b>	<b>0</b>	<b>29,241</b>	<b>446,342</b>	<b>6,802,873</b>
Distribution to holders of certificates	-111,045				-111,045
Net income			-10,511	43,139	32,628
<b>As of March 31, 2017</b>	<b>6,216,245</b>	<b>0</b>	<b>18,730</b>	<b>489,481</b>	<b>6,724,456</b>

Fideicomiso Irrevocable No. F/1616 (Deutsche Bank México, S. A.  
Multiple Banking Institution, Trust Division) and Subsidiary  
Unaudited Condensed Consolidated Statements of Cash Flows  
For the three-month period from January 1 to March 31, 2017 and 2016  
(Thousands of pesos)

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Net income before taxes	43,139	49,409
Depreciation and amortization	64,299	48,807
Debt interests	50,580	31,524
Gain on interests	-11,251	-5,454
Executive share-based compensation	0	3,630
	146,767	127,916
Receivables and other accounts receivable	-18,083	-53,689
Related parties	747	20,471
Advanced payments	-18,059	-6,373
Recoverable taxes	88,885	18,200
Suppliers and other payables	24,480	-3,012
Payable taxes	-467	15,288
<b>Net cash flows generated by operating activities</b>	<b>224,270</b>	<b>118,801</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of properties	-137,206	-106,398
Acquisition of intangible assets	-1,507	-2,061
Gain on interests	11,251	5,454
<b>Net cash flows utilized in investing activities</b>	<b>-127,462</b>	<b>-103,005</b>
<b>FINANCING ACTIVITIES</b>		
Distribution to holders of certificates	-111,045	-92,442
Debt issuance interests	-42,995	1,133
Bank fees and interests related to loan	0	-25,472
<b>Net cash flows generated by financing activities</b>	<b>-154,040</b>	<b>-116,781</b>
<b>Net cash flows of the period</b>	<b>-57,232</b>	<b>-100,985</b>
Cash and cash equivalents at the beginning of the year	849,077	796,751
<b>Cash and cash equivalents at the end of the year</b>	<b>791,845</b>	<b>695,766</b>

